



**Solicitation Information
October 11, 2013**

RFP# 7523366

TITLE: Predictive Modeling for Rhode Island's Health Benefit Exchange

Submission Deadline: November 14, 2013 @ 10:00 AM (Eastern Time)

**PRE-BID/ PROPOSAL CONFERENCE: No
MANDATORY:**

If YES, any Vendor who intends to submit a bid proposal in response to this solicitation must have its designated representative attend the mandatory Pre-Bid/ Proposal Conference. The representative must register at the Pre-Bid/ Proposal Conference and disclose the identity of the vendor whom he/she represents. A vendor's failure to attend and register at the mandatory Pre-Bid/ Proposal Conference shall result in disqualification of the vendor's bid proposals as non-responsive to the solicitation.

DATE:

LOCATION:

Questions concerning this solicitation must be received by the Division of Purchases at David.Francis@purchasing.ri.gov no later than **October 22, 2013 @ 10:00 AM (ET)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP# on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

SURETY REQUIRED: No

BOND REQUIRED: No

**David J. Francis
Interdepartmental Project Manager**

Applicants must register on-line at the State Purchasing Website at www.purchasing.ri.gov.

Note to Applicants:

Offers received without the entire completed four-page RIVP Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

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Disk Based Bidding Information

File Format

All disk based bid files are ZIP files that you can open using the WinZip 8.1 software. The ZIP file will contain one or more files based on the type of Bid/RPF.

Downloading the Disk Based Bid

Bids that have a file for download are marked with a "D" in the Info field of the bid search results. The "D" will be an active link to the WinZip file until the bid reaches its opening date. Clicking on the active "D" link will allow you to open or save the ZIP file associated with the bid. Opening the WinZip file will download a copy to your computer's temporary directory.

Opening the Disk Based Bid

Once downloaded, you can open the ZIP file with WinZip and view the Microsoft Office files contained within the WinZip file. Immediately save (extract) the individual files to an appropriate directory on your computer, such as "Desktop" or "My Documents".

FOR THE DEPARTMENT OF TRANSPORTATION AND OTHER SPECIFIC PROJECTS:

Completing the Disk Based Bid

Once the Microsoft Office files are properly saved, open the individual files and enter the required information in the appropriate fields. Save each file again to capture the new information you entered.

Submitting the Disk Based Bid

Save the completed files to a CD or diskette. Label the CD or diskette with the Bid/RFP number and bidder's name (company name, not contract name). Submit as instructed in the Bid or RFP solicitation document.

SECTION 1: INTRODUCTION

The Rhode Island Department of Administration / Division of Purchases, on behalf of the Division of the Rhode Island Health Benefits Exchange in the Office of the Governor Lincoln Chafee (Exchange) is soliciting proposals from qualified firms to perform complex analysis and predictive modeling to support the design and development of marketing, strategic planning, and product development at the Exchange, in accordance with the terms of this Request for Proposals and the State's General Conditions of Purchase, which may be obtained at the Rhode Island Division of Purchases Home Page by Internet at www.purchasing.ri.us.

The initial contract period will last eighteen months with three (3) one year option years. Contracts may be renewed for up to three additional 12-month periods based on vendor performance and the availability of funds.

This is a Request for Proposals, not an Invitation for Bid. Responses will be evaluated on the basis of the relative merits of the proposal, in addition to price; there will be no public opening and reading of responses received by the Division of Purchase pursuant to this Request, other than to name those Bidders who have submitted proposals.

Instructions and Notifications to Vendors:

1. Potential vendors are advised to review all sections of this RFP carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
2. Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this RFP will be rejected as being non-responsive.
3. All costs associated with developing or submitting a proposal in response to this RFP, or to provide oral or written clarification of its content shall be borne by the vendor. The State assumes no responsibility for these costs.
4. Proposals are considered to be irrevocable for a period of not less than 120 days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
5. All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
6. Proposals misdirected to other state locations, or which are otherwise not present in the Division at the time of opening for any cause will be determined to be late and will not be considered. For the purposes of this requirement, the official time and date shall be that of the time clock in the reception area of the Division.
7. It is intended that an award pursuant to this RFP will be made to a prime vendor. Subcontracts are permitted, provided that their use is clearly indicated in the vendor's proposal and the subcontractor(s) to be used is identified in the proposal.
8. All proposals should include the vendor's FEIN or Social Security number as evidenced by a W9, downloadable from the Division's website at www.purchasing.ri.gov.
9. The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds.
10. Vendors are advised that all materials submitted to the State for consideration in response to this RFP will be considered to be Public Records as defined in Title 38, Chapter 2 of the General

Laws of Rhode Island, without exception, and will be released for inspection immediately upon request once an award has been made.

11. Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.
12. Equal Employment Opportunity (G.L. 1956 § 28-5.1-1, et seq.) – § 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies to all areas where State dollars are spent, in employment, public services, grants and financial assistance, and in state licensing and regulation.
13. In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful vendor(s).
14. The vendor should be aware of the State's minority Business Enterprise (MBE) requirements, which address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information, visit the website www.mbe.ri.gov.

SECTION 2: BACKGROUND AND PURPOSE

Background

Rhode Island is implementing a health benefits exchange (Exchange) in accordance with the Patient Protection and Affordable Care Act (ACA) for the purpose of providing individuals, families and small businesses with affordable access to Qualified Health Plans (QHPs) as of January 1, 2014, with an open enrollment period commencing October 1, 2013.

Rhode Island's Exchange will not only serve as a robust marketplace for all Rhode Islanders to gather information about health insurance / providers and to identify health insurance coverage options and, for those eligible, to purchase coverage, but also serve as a negotiator for high-quality, affordable insurance options on behalf of individuals and small businesses and their employees. Rhode Island received conditional approval from the Secretary of Health and Human Services on December 20, 2012, signifying the Secretary's acknowledgment of the substantial progress made and the resulting expectation that the Rhode Island Health Benefit Exchange will be ready to provide affordable, quality coverage for consumers and small businesses in 2014.

Specific Requirements

Bidders responding to this RFP must a minimum of two (2) years of application management and analytics experience, with proven experience in at least two engagements demonstrating each of the following minimum criteria. This can include experience of the primary vendor and/or experience of any proposed subcontractors.

- Building an analytic center of excellence on behalf of a client or clients
- Leveraging an analytic center of excellence to perform predictive modeling
- Setting up, supporting and maintaining an ongoing operational environment for advanced analytics.
- History of effective collaborative relationships with multiple points of contact for a single project.

The selected Vendor will demonstrate sufficient experience and capacity necessary to successfully complete all tasks.

SECTION 3: SCOPE OF WORK

General Scope of Work

The predictive modeling vendor shall leverage public and private data sources to build base models that enable the Exchange to conduct analyses, such as:

- Predictive modeling to support the identification and assessment of core customer segments, their demographics, characteristics, product and purchasing preferences
- Analysis to support the identification, pricing and design of Exchange products and services
- Analysis to support specific Exchange products and services; for example, decision support tools to assist Rhode Islanders in choosing their health insurance plan, health insurance product, provider, or facility for care
- Analysis to support modeling, cross sector impact of coverage, products, and services

Specific Activities/Tasks

In order to meet these objectives, the vendor shall work closely with Exchange staff, its interagency partners, other contractors, and stakeholders on the following tasks:

- Task One: Subject Area Modeling and Data Integration
- Task Two: Advanced Analytic solution development
- Task Three: Advanced Analytics Operations

These tasks are described as follows:

Task One: Subject Area Modeling and Data Integration

The vendor shall build base models to enable complex analysis and predictive modeling across datasets. Such models shall incorporate population and customer characteristics such as propensity, likelihood, behavior, status, risk etc. They will be based on multiple public and private data sets, which may be established and maintained by the vendor, if appropriate. These datasets will include, but not be limited to:

- Publicly available datasets available from federal or state agencies, such as HEDIS, ACS, DLT, MEPS.
- Private datasets, such as the Rhode Island Health Information Survey, Exchange specific surveys and market research, Nielson, Acxiom.
- Internal Exchange operational datasets, such as the UHIP database, NFP (Premium Billing and Financial Management System), Connexions' CRM System, RIFANs, FairHear (Appeals), SERFF, OHIC, HR system, and Bank Data
- Identification of potential data sets for cross sector impact of healthcare

The vendor must design a process for the receipt and storage of data from various existing public and private sources. The vendor must clean and format the data to facilitate analysis, and to ensure that output from these datasets is in user-friendly files.

Task Two: Advanced Analytic Solution Development

The vendor will work with exchange staff to perform predictive data modeling on integrated data to support market segmentation, strategic planning, cost / pricing, and product / service development. The vendor will leverage the datasets developed in Task 1 to model anticipated consumer behaviors, and translate these data into strategic and operational forecasts and targets. Examples include:

- *Customer Segmentation*
Mine multiple datasets to identify & define exchange customers, their demographics and characteristics, to support marketing and sales strategies
- *Enrollment and Revenue Targets*
Translate customer segmentation information into specific sales and enrollment targets by segment. Regularly update and modify these projections
- *Product and Service Preferences and Priorities*
Leverage customer segmentation information and broader market data to identify and predict product and service needs and preferences of targeted customer segments

Task Three: Advanced Analytics Operations

The vendor will work with exchange staff to support analytics operations – that is, to maintain, manage and provide training on models to support ongoing strategic planning, marketing and product development efforts. Datasets will be continuously updated and adapted to reflect changing business priorities and customer needs.

Additional Vendor Responsibilities:

Subcontracting - If the Vendor intends to use any subcontractors, the Vendor must clearly identify the subcontractor in the response to the RFP. The Vendor retains responsibility for the completion and quality of any work assigned to subcontractors. The Vendor is expected to supervise the activities of subcontractors and employees in order to ensure quality.

Compliance with Statutory, Regulatory and Other Standards - The Vendor must comply with all applicable State and Federal regulations and statutes.

Confidentiality and Protection of Public Health Information and Related Data – The Exchange does not anticipate providing any protected health information to the successful vendor. However, in the event that protected health information or other confidential data must be shared by the Exchange with the vendor, the vendor shall be required to execute a Business Associate Agreement Data Use Agreement, among other requirements, shall require the successful vendor to comply with 45 C.F.R 164.502(e), 164.504(e), 164.410, governing Protected Health Information (“PHI”) and Business Associates under the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. Section 1320d, et seq., and regulations promulgated thereunder, and as amended from time to time, the Health Information Technology for Economic and Clinical Health Act (HITECH) and its implementing regulations, and regulations promulgated thereunder, and as amended from time to time, and the Rhode Island Confidentiality of Health Care Information Act, R.I. General Laws, Section 5-37.3 et seq. The successful Vendor shall be required to ensure, in writing, that any agent, including a subcontractor to whom it provides Protected Health Information received from or created or received by and/or through this contract, agrees to the same restrictions and conditions that apply through the above-described Agreements with respect to such information. Any information provided by the

Exchange to the Vendor for the completion of the project may not be sold, given or otherwise shared with outside parties.

Computers – Computer hardware, software, and other such technology required to complete the work of the contract are the sole responsibility of the Vendor.

Data and Reports - Data, information, and reports collected or prepared by the Vendor as well as equipment purchased by the Vendor in the course of performing its duties and obligations and paid by the State under this contract shall be deemed to be owned by the State of Rhode Island. This provision is made in consideration of the Vendor's use of public funds in collecting and preparing such data, information, and reports, and in purchasing equipment.

Equipment – Equipment required to complete the work of the contract are the sole responsibility of the Vendor; however the Exchange will work with the vendor to provide space and administrative support for dedicated, local resources where possible.

Travel - All travel costs for Vendor staff, including in-state and out of state travel necessary to carry out the tasks within the contract, shall be included in the fully loaded price point.

SECTION 4: TECHNICAL PROPOSAL

Narrative and format: The separate technical proposal should address specifically each of the required elements:

1. Staff Qualifications – Provide a summary of qualifications and experience of key staff who will be involved in this project, including their experience in the fields described in the scope of work. Also include a summary of the capabilities and role of any subcontractors. In an attachment to the technical proposal (not included in the 15 page limit), please include resumes/CVs of vendor and any subcontractor(s).
2. Capability, Capacity and Qualifications of Offeror- Please provide relevant experience with prior or current year projects related to the scope of this RFP, as well as meeting the **Specific Requirements** detailed in **Section 2** of this solicitation. This section should also include a brief description of the vendor's financial position and solvency. The vendor shall provide at least three (3) references for projects that are of comparable size and complexity. For each reference the vendor should include the following information:
 - a. Name of the organization
 - b. Relevance to this proposal
 - c. Brief summary of project
 - d. Timeframe for the project
 - e. Original contract amountThis section should include a description of how any Vendor staff or subcontractors will be organized and supervised. Please include an organizational chart.
3. Work plan -Please describe in detail, the vendor's understanding of the State's requirements, including the result(s) intended and the desired approach and/or methodology to be employed within the scope of work. A work plan for accomplishing each task, and the

results proposed should be included. The work plan description shall include a list of activities and/or milestones that will be employed to successfully administer the project. This section will indicate the amount of time the vendor anticipates dedicating to each task. Please list staff as well as any subcontractors, indicating level of effort as well as duties and responsibilities in relation to the scope of work. Within the 15 page limit, the vendor should include a high-level timeline/work plan for achieving key milestones. A detailed timeline/work plan may be included as an attachment that will NOT be included in the 15-page limit for the technical proposal.

4. Approach/ Methodology—Please describe the approach you will use for meeting the state’s need to make the Exchange the insurance and health information destination of choice for individuals and small businesses across the state through the provision of specialized analysis and predictive modeling in support of the Exchange marketing, strategic planning, product development and cross sector implications.

SECTION 5: COST PROPOSAL

Bidders are required to submit a budget and budget narrative and respondents will be evaluated based on the relative competitiveness of their submitted budget. Respondents should submit their total proposed costs for each of the tasks outlined in this RFP along with an overall total for the entire project.

The cost proposal must include detailed listings of fully loaded rates and the proposed time commitments for all personnel and subcontractors to be utilized in completing the tasks using Appendix B: Budget Form. In addition the vendor shall list all non-personnel costs by task and by month. The budget narrative should describe each of the costs included in the budget and how each cost was estimated.

SECTION 6: EVALUATION AND SELECTION

Proposals will be reviewed by a Technical Review Committee comprised of staff from state agencies. To advance to the Cost Evaluation phase, the Technical Proposal must receive a minimum of 49 (70%) out of a maximum of 70 technical points. Any technical proposals scoring less than 49 points will not have the cost component opened and evaluated. The proposal will be dropped from further consideration.

Proposals scoring 49 technical points or higher will be evaluated for cost and assigned up to a maximum of 30 points in cost category, bringing the potential maximum score to 100 points. The RI Health Benefits Exchange reserves the exclusive right to select the individual(s) or firm (vendor) that they deem to be in its best interest to accomplish the project as specified herein; and conversely, reserves the right not to fund any proposal(s).

Proposals will be reviewed and scored based upon the following criteria:

Criteria	Possible Points
Staff Qualifications	20 Points
Capability, Capacity, and Qualifications of the Offeror	20 Points
Quality of the Work plan	15 Points
Suitability of Approach/Methodology	15 Points
Total Possible Technical Points	70 Points
Cost calculated as lowest responsive cost proposal divided by (this cost proposal) times 30 points *	30 Points
Total Possible Points	100 Points

*The Low bidder will receive one hundred percent (100%) of the available points for cost. All other bidders will be awarded cost points based upon the following formula:

$$(\text{low bid} / \text{vendors bid}) * \text{available points}$$

For example: If the low bidder (Vendor A) bids \$65,000 and Vendor B bids \$100,000 for monthly cost and service fee and the total points available are thirty (30) vendor B's cost points are calculated as follows:

$$\$65,000 / \$100,000 \times 30 = 19.5$$

Points will be assigned based on the offeror's clear demonstration of his/her abilities to complete the work, apply appropriate methods to complete the work, create innovative solutions and quality of past performance in similar projects.

Applicants may be required to submit additional written information or be asked to make an oral presentation before the technical review committee to clarify statements made in their proposal. Applicants may be required to submit additional written information or be

asked to make an oral presentation before the Technical Review Committee to clarify statements made in their proposal.

SECTION 7: PROPOSAL SUBMISSION

Questions concerning this solicitation may be e-mailed to the Division of Purchases at David.Francis@purchasing.ri.gov no later than the date and time indicated on page one of this solicitation. Please reference **RFP # 7523366** on all correspondence. Questions should be submitted in a Microsoft Word attachment. Answers to questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information. If technical assistance is required to download, call the Help Desk at (401) 574-9709.

Offerors are encouraged to submit written questions to the Division of Purchases. **No other contact with State parties will be permitted.** Interested offerors may submit proposals to provide the services covered by this Request on or before the date and time listed on the cover page of this solicitation. Responses received after this date and time, as registered by the official time clock in the reception area of the Division of Purchases will not be considered.

Responses [**an original plus five (5) copies**] should be mailed or hand-delivered in a sealed envelope marked “**RFP# 7523366 Predictive Modeling for Rhode Island’s Health Benefit Exchange**” to:

RI Dept. of Administration
Division of Purchases, 2nd floor
One Capitol Hill
Providence, RI 02908-5855

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or those not presented to the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or emailed, to the Division of Purchases will not be considered. The official time clock is in the reception area of the Division of Purchases.

RESPONSE CONTENTS

Responses shall include the following:

1. A completed and signed four-page R.I.V.I.P generated bidder certification cover sheet downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.
2. A completed and signed W-9 downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.
3. **A separate Technical Proposal** describing the qualifications and background of the applicant and experience with and for similar projects, and all information described earlier in this solicitation. The Technical Proposal is limited to fifteen (15) pages (this excludes any appendices). As appropriate, resumes of key staff that will provide services covered by this request.

4. **A separate, signed and sealed Cost Proposal** including a total budget and budget narrative proposed to complete all of the requirements of this project. The cost proposal is limited to five (5) pages. Please see Appendix A.
5. In addition to the multiple hard copies of proposals required, Respondents are requested to provide their proposal in **electronic format (CD-ROM, disc, or flash drive)**. Microsoft Word / Excel OR PDF format is preferable. Only 1 electronic copy per proposal (one for Cost Proposal and one for technical Proposal– these files need to be submitted in separate electronic formats) is requested and it should be placed in the corresponding proposal marked “original”.

SECTION 8: CONCLUDING STATEMENTS

Notwithstanding the above, the State reserves the right not to award this contract or to award on the basis of cost alone, to accept or reject any or all proposals, and to award in its best interest.

Proposals found to be technically or substantially non-responsive at any point in the evaluation process will be rejected and not considered further.

The State may, at its sole option, elect to require presentation(s) by offerors clearly in consideration for award.

The State’s General Conditions of Purchase contain the specific contract terms, stipulations and affirmations to be utilized for the contract awarded to the RFP. The State’s General Conditions of Purchases/General Terms and Conditions can be found at the following URL:

<https://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf>

Appendix A: Procurement Library

- Project Narrative for RI's Exchange Establishment One Application:
http://www.ohic.ri.gov/documents/Grants/3_Rhode%20Island%20Exchange%20Establishment%20One%20Project%20Narrative.pdf
- Project Narrative for RI's Exchange Establishment Two Application:
http://www.ohic.ri.gov/documents/Establishment%20two/4_Rhode%20Island%20Exchange%20Establishment%20Project%20Narrative%20Level%20Two.pdf
- Governor Lincoln Chafee's Executive Order Establishing RI's Health Benefits Exchange, 9/19/11:
http://www.governor.ri.gov/documents/executiveorders/2011/Executive_Order_11-09.pdf
- Unified Health Infrastructure Project Technology RFP:
<https://www.purchasing.ri.gov/RIVIP/StateAgencyBids/7449637.pdf>
- Rhode Island Exchange's Strategic Plan, developed by the Advisory Board, including Mission, Vision, Principles, and Objectives:
<http://www.governor.ri.gov/healthcare/interest/documents/RI%20Health%20Benefits%20Exchange%20Strategic%20Plan.pdf>
- Lieutenant Governor's ACA Website:
<http://www.ltgov.ri.gov/rihrc/index.php>
- HealthSource RI Website:
<http://www.healthsourceri.com>